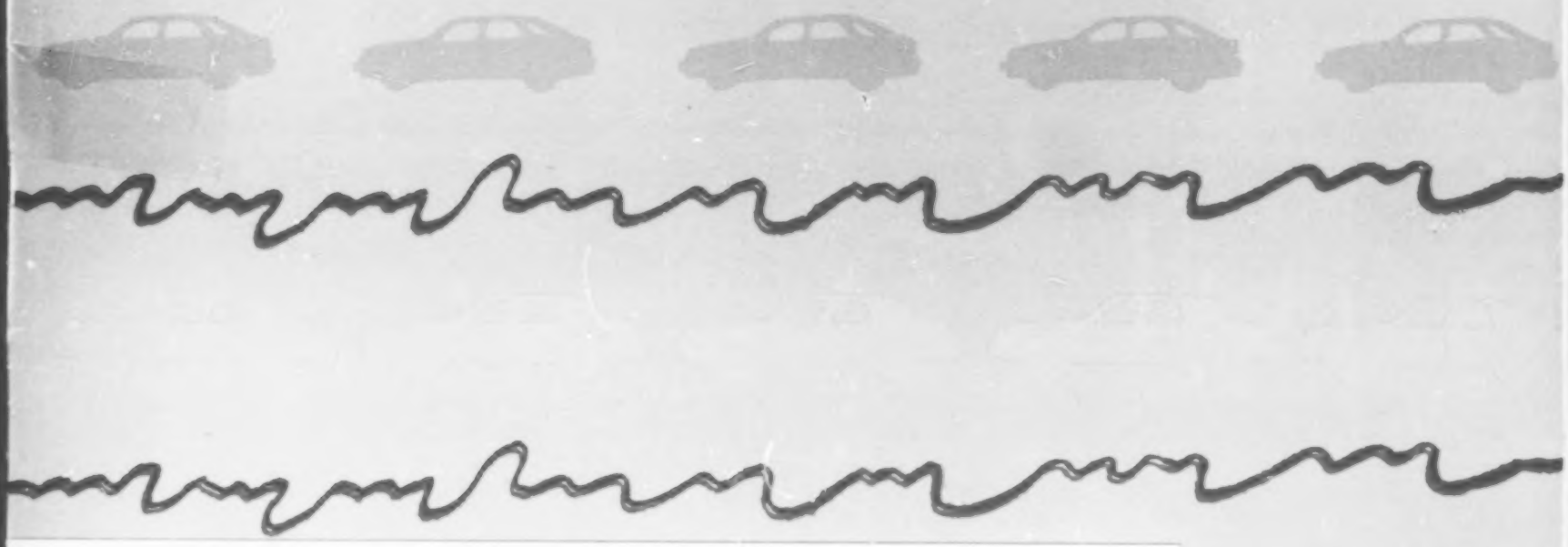
C2700-1

Automotive News

December 16, 1985

© Entire contents copyright, 1985, by Crain Automotive Group, Inc. All rights reserved.
Reproduction or use of editorial content in any manner without permission is strictly prohibited.

60th year—$45 per year, $1.00 per copy



Making Waves in Communications

********************5-DIGIT 20814
ACQUEACQUE AN 85S099 99 MAZ
ACQ EDITOR
ACQ EDITOR SRI
CONGRESSIONAL INFO SERV
4520 EAST-WEST HWY STE800
BETHESDA MD 20814

Automotive News

December 16, 1985

© Entire contents copyright, 1985, by Crain Automotive Group, Inc. All rights reserved.
Reproduction or use of editorial content in any manner without permission is strictly prohibited.

60th year—$45 per year, $1.00 per copy

Satellite era dawns at U.S. auto makers

By Richard Johnson
Detroit Reporter

Whether it is marching orders or walking papers, U.S. auto companies can get the word out to employes faster and farther these days by bouncing it off an orbiting satellite.

At the very least, satellite networks appear to be revolutionizing employe communications at the far-flung operations of General Motors, Ford Motor Co. and Chrysler Corp.

Auto makers have, through seperate aerospace operations over the decades, helped develop the satellite technology which will eventually link them not only with internal operations, but also dealers.

Just last week, for instance, Ford signed a $276 million contract with the U.S. Government for three weather-forecasting satellites.

For now, though, the satellite bank-shot enables executives in Detroit to sit "across-the-table" with field staffs when, in fact, they are across the country. Instantaneous hookups with distant offices are often as serviceable as face-to-face meetings, without the travel time.

And the companies say there is no better way to rally the troops than to put before them a top executive, a proven communicator, a Lee Iacocca.

Besides teleconferencing, the companies are transmitting a wide variety of information, including corporate news, program introductions, distribution instructions, training sessions and product features. And the auto makers are in varying stages of offering

Please turn to Page 32, Col. 1

Range Rover moves toward sales in U.S.

By Richard Feast
European Editor

SOLIHULL, England.—The manufacturer of the luxury Range Rover station wagon has established a wholly owned subsidiary in the U.S. in preparation for the vehicle's launch within the next 12 months.

Range Rover of North America, Inc., operating initially out of offices in Saddle Brook, N.J., is about to start a dealer recruitment campaign by inviting selected retailers of prestige European imports to apply for a franchise.

Range Rover plans to be picky in its selection of dealers. In the early stages it wants only around 60, located in major metropolitan and snowbelt regions. It is also understood to be modest in its initial sales aims—up to around 4,000 units in the first year.

The vehicle is a permanent four-wheel-drive built by Land Rover here in the Midlands of En-

Please turn to Page 51, Col. 5

Joe Wissens

Choctaw Indians assemble components for U.S auto makers

Choctaws give Big 3 parts source in U.S

By Michelle Krebs
Financial Editor

PHILADELPHIA, Miss.—East central Mississippi is the poorest part of the poorest state in the U.S. Yet it is here—on an Indian reservation—that the Big Three auto makers have discovered an alternative to sourcing auto parts in Southeast Asia and Mexico.

In the past six years, the Mississippi Band of Choctaw Indians has built two wire harness plants—one for General Motors and a second for Ford Motor Co. The plants employ 550 workers. Annual sales total $17 million, and annual payroll exceeds $5 million.

This fall, Chicago-based Oxford Speaker Co. opened an assembly plant for radio speakers used in Chrysler automobiles. GM's Buick-Oldsmobile-Cadillac Group also has awarded Oxford Speaker a contract for radio speakers, to be produced by the Indians beginning in June or July. Nearly all of GM's radio speakers are foreign sourced.

Oxford Speaker was being pressured by its auto company customers to find an offshore partner to bring costs down.

Company officials visited Japan and later South Korea. They were determined to exhaust every domestic alternative before they sourced in Southeast Asia. That's when they found the Choctaw reservation.

Labor rates at the Indian reservation are not as low as in South Korea and Mexico, but they are lower than other places in the U.S. South Koreans make about $8 a day; Mexicans are paid about 80 cents per hour. An average assembler on the Choctaw reservation makes about $5 an hour with benefits.

However, the reservation and the government provide other benefits. Health care is provided. Housing is built by the reservation and the cost is repaid, based on an individual's income. Also, Indians pay no federal taxes, only state taxes.

Please turn to Page 21, Col. 3

Renault officer named chairman in AMC shuffle

By Richard Johnson
and Richard Feast
Automotive News Staff

Renault's number two man, Pierre Semerena, has been elected chairman of American Motors, but Jose Dedeurwaerder retains control of the company—at least until he is recalled to France early next year for a promotion to Renault's top sales post.

The executive shakeup at AMC also gives added responsibility to Joseph E. Cappy, promoted from executive vice president to chief operating officer.

J. Paul Tippett, who stepped down as full-time chairman of AMC in April, will remain on the AMC board. He stepped aside as chairman of the directors' executive committee; Dedeurwaerder takes over that role.

Semerena will have more day-to-day involvement with AMC than Tippett had at the end of his term as AMC chairman. Semerena has resigned his Renault post to become full-time AMC chairman, responsible for relations with directors.

But the move is seen as a step down for Semerena, 60, who had been tapped as chief executive officer of Renault's automobile division by Bernard Hanon, who was ousted as Renault chief early this year.

Semerena is one of a string of Renault executives who have left or have been shuffled into new posts by the new chairman, Georges Besse.

Under Hanon, Semerena had been promoted above Pierre Tiberghien, Renault's former chief of auto operations and now inspector general of quality. The AMC executive shuffle takes Tiberghien off the AMC board.

He is being replaced by Allan Chapin (no relation to AMC's former chairman Roy Chapin), partner in the New York law firm of Sullivan and Cromwell. It is the law firm that represents Renault in the U.S.

Automotive News has learned from inside sources that Dedeurwaerder will be leaving the U.S. in the first half of 1986 to take a major post at Renault. He is expected to be in charge of all of Renault's marketing and sales operations; in addition, he will likely have responsibility for Renault manufacturing outside

Please turn to Page 51, Col. 1

Japan won't renew curbs on exports

By Jake Kelderman
Washington Reporter

WASHINGTON.—The Japanese Government said again last week that it will not extend its self-imposed limits on shipments of Japanese cars to the U.S. when current restrictions expire next March 31.

Speaking to reporters at a weekly press conference, Keijiro Murata, head of the Ministry of International Trade and Industry, said Japan "will not consider another extension of the voluntary restraints" which have been in place for the past five years.

Another extension of the restraints would be "out of the question, unless there is some exceptional," justification, he said.

The restraints on car exports were adopted by Japan in 1981 for a three-year period to give the U.S. auto industry a chance to rebuild in the wake of the 1980 recession. The limit set initially was 1.68 million cars. In 1984, the number was increased to 1.85 million, and last spring was boosted again to 2.3 million.

At that time, however, MITI made a point of noting that this would be the last year of the voluntary export quotas.

"The pronouncement made by MITI last week should be seen as an affirmation of its previously stated commitment," a source close to the Japanese Government said.

Japanese auto makers already control about 20 percent of the U.S. auto market even with export restraints in place.

The major makers also have opened, or are planning, manufacturing facilities in the U.S. capable of producing as many as 1.2 million units annually.

Industry analysts generally concede that even if import restraints were to remain in effect, the Japanese would continue to gain market share, perhaps to as much as 30 percent to 35 percent.

The Japanese auto makers have been adamantly opposed to their government's export restraints ever since they were initiated.

Sales of Japanese cars in the U.S. this year are expected to total about 2.2 million, up from 1.9 million in 1984.

Domestic stockpile hits 3-year high

By Kathleen Hamilton
Managing Editor

December opened with a 78-day supply of domestic cars—the highest level in more than three years.

The culprit clearly was sluggish sales, because the actual unit count, while a bit puffy, was nowhere near a three-year high. The 1,605,832-car stockpile was only a six-month high; there were slightly more cars in stock in May (1,615,026), but at that time sales were so strong that the stockpile was good for only 52 days.

No one was exempt this time—not even the Japanese-based U.S. operations. Each of the six U.S. auto makers saw an increase in their days' supplies as well as in their unit counts. American Motors and Ford Motor Co. had only marginal unit increases; the unit counts for the other four makers increased substantially.

Ford was the only maker with stocks at a healthy level (62 days), making it understandably reluctant to join in the latest round of industrywide incentive programs. But join it did, and then added dealer incentives for its only two high-volume models with heavy stocks, Thunderbird and Cougar. (Its high totals for EXP, LTD and Marquis are because these lines have gone out of production.)

It should also be noted that Ford's corporate days' supply was increased by 10,000 units as it began stockpiling Taurus and Sable in preparation for the

Please turn to Page 50, Col. 3

France, Australia to build Ford sports cars for U.S.

By Richard Johnson
Detroit Reporter

Ford Motor Co. has finally given a green light to its premium high-performance two-seat sports car, which will be assembled in France. Ford also has announced plans for a small, sporty car for North America that will be developed and produced in Australia.

Both cars will debut in the U.S. in the late 1980s and fit into specialty-car niches, rather than replace any existing models, such as the Mustang.

The two-seater program will be supervised by Ford Special Vehicle Operations. Input will come from several outside firms, including Chausson S.A., of Courbevois, France, which will assemble the vehicle and serve as the principal engineering contractor.

Ford is turning to ItalDesign in Turin for engineering design and developmental work on the Australian-built small, sporty car.

Louis Ross, Ford executive vice president—North American Automotive Operations, said the market for a premium, high-performance sports car "is a small but important one that reaches an influential group of buyers."

"We've been following this particular segment for some time, and we think the timing is right for Ford to have an entry in this market," he said.

Ford declined to spell out details of the two-seater program last week, but sources have identified it as the in-house-designed, mid-engined "GN34," which was apparently considered for the project along with ItalDesign's Maya, the Giugiaro-designed coupe shown at the 1985 Turin Motor Show. Ford consumer-tested both models and the GN34 reportedly emerged as the winner.

In recent months, Ford Chairman Donald Petersen and President Harold Poling have repeatedly expressed their enthusiasm for an SVO sports-car program. The 32-man motorsport, performance-parts and specialty-car operation was formed five years ago and is responsible for the high-tech, turbocharged SVO Mustang.

Ross last week called the high-performance sports car "exactly the kind of project we had in mind when we created SVO five years ago."

The GN34, which is expected to sell for about $25,000, will reportedly be powered by a 4-valve, naturally aspirated, 3.0-liter V-6 engine that will debut in mid-1987 on some Taurus/Sable and Lincoln models with capability of 200-250 HP.

The premium sports-car programs will put Ford four-square into a growing legion of upscale two-seaters from domestic auto makers, including the Chrysler/Maserati and General Motors' Cadillac Allante and Buick's GM33 two-seater project.

The small, sporty car will be developed and produced for North America and other markets by Ford Motor Co. of Australia, Ltd., according to Ross.

"Ford Australia's accomplishments with the Australian-designed and engineered Ford Falcon and its derivatives are proof positive of its capabilities as the leader in one of the world's most competitive markets," said Ross.

A Ford spokesman put the size of the Australian car "in the Fiero kind of range."

Pricing of the cars was not discussed by Ford last week. A spokesman said it has not been determined whether the cars will be distributed through both the Ford and Lincoln-Mercury dealer networks.

Ford has not announced expected volume figures, but they are expected to be low—probably in the 15,000-20,000 range for the premium sports car. Ross stressed that neither vehicle will replace the current Mustang or future Mustang-like vehicles. He said both cars are aimed at very specialized markets in which Ford currently has no North American entries.

The projects are reminiscent of Ford's approach to the Merkur XR4Ti, an upscale model built in Germany and marketed in the U.S. through L-M dealerships. That is, low-volume cars sourced and built overseas, but clearly intended for the North American market.

"It is just a matter of a different place, a different outfit doing it," said the Ford representative. "We have considerable experience in the areas of international design, assembly and shipping. The world is getting smaller every day."

Fastback fever

Chevrolet will offer a new sloped rear backlight option on the Monte Carlo SS. The fastback model will be available after Jan. 1, and the traditional Super Sport with formal glass treatment will continue to be offered.

Honda asked to recall 500,000 for belt flaw

WASHINGTON.—NHTSA has asked Honda to recall about 500,000 1979-81 Accords and Civics for failure of front seat-belt retractors. The problem was first identified in April, 1982.

American Honda said it is discussing the situation with NHTSA and so far has not agreed to recall the cars.

The Center for Auto Safety said Honda reported more than 140 complaints and told NHTSA it has covered 1,800 warranty claims about such malfunctions. NHTSA said there are 40 complaints.

But American Honda denied CAS charges that it has conducted a "secret warranty" program to reimburse those who complain but not those who do not. CAS likened that to an earlier problem Honda had when it shortened belts for a safety payoff but then had to provide longer belts when some could not be fastened around winter coats.

NHTSA has also sent a recall request to Neoplan USA Corp., asking for action on sudden rear-brake lockup. Neoplan is talking to the safety agency.

NHTSA also has upgraded three investigations to the engineering analysis stage. One involves more than six million General Motors 1978-81 A-cars—Chevrolet Malibu and Monte Carlo, Pontiac LeMans and Grand Prix, Buick Century and Regal and Oldsmobile Cutlass Supreme—for alleged loss of rear braking from rust on the rear backing plate. (The 1978-81 A-cars now are G-cars in GM's lexicon.)

CAS said that NHTSA began

Please turn to Page 46, Col. 5

Site of $800 million plant announced, amid hoopla

Toyota joins hands with Kentucky

By Jake Kelderman
Washington Reporter

LEXINGTON, Ky.—It's getting to be a familiar scene in the American hinterland: A horde of journalists, politicians and assorted capitalists descends on a small town for the long-awaited announcement of the site of a new assembly plant.

Recently, the Japanese auto makers have stolen the show. Last week it was Toyota Motor Corp.'s turn, and the location was Georgetown, Ky. (population about 11,000), 12 miles north of Lexington—in a region famous for its thoroughbred horses.

The cast in Georgetown, undaunted by Kentucky's December rain and mud, included Toyota Chairman Eiji Toyoda and President Shoichiro Toyoda, Kentucky Governor Martha Layne Collins, State Senators Wendell Ford (Democrat) and Mitch McConnell (Republican), Kentucky Republican Congressman Larry Hopkins and a host of lesser state and local officials.

Chairman Toyoda said the Georgetown site was chosen after a painstaking search and that he looked forward to a rewarding partnership with the people of the region and the state.

President Toyoda said he was especially proud to make the announcement because it was a way for the company to "return the warmth and loyalty that Toyota has always enjoyed in the U.S."

One day after the Kentucky announcement, Toyota officials traveled to Cambridge, Ont., southwest of Toronto, to announce the company will start construction on a $400 million (Canadian) assembly plant that will ultimately produce 50,000 Corolla-class cars and employ 1,000 persons.

Canadian production is scheduled to begin in 1988. The goal is to increase local content above 60 percent and to export cars immediately from Canada to the U.S. so

Please turn to Page 49, Col. 2

Takes first 4 places in Power's Initial Quality Study

Toyota tops in trouble-free survey

By Matt DeLorenzo
Los Angeles Reporter

LOS ANGELES.—Imports top the list of trouble-free new cars, according to J.D. Power & Associates' study of new-car quality.

Called the Initial Quality Study (IQS), the survey asked consumers to list the number of problems they encountered with their new 1985 cars within the first 2½ to three months of ownership.

Toyota dominated the list of trouble-free new cars, taking the first four positions with the Camry, Cressida, Tercel and Corolla. Honda took the next two spots with Civic and Accord, and Mercedes-Benz achieved the highest non-Japanese rating—seventh—with its 380 model.

Toyota placed six cars in the top 20, Honda had three, Mercedes three, Nissan two and Mazda one.

Chevrolet placed three cars in the top 20 with the Sprint, Citation II and Spectrum in 17th through 19th positions. Ford's Crown Victoria placed 16th, and the Dodge Colt placed 20th.

Since Sprint, Spectrum and Colt are built by Japanese car companies, only two domestically produced vehicles finished in the top 20. And Chevrolet has dropped the Citation.

J. David Power III said the study was undertaken as an outgrowth of his company's Consumer Satisfaction Index (CSI).

"We started getting questions about the CSI—that it tracks at the end of 12 months of ownership and is more dealer-oriented," he said. "The reason for the IQS is to get as early a reading from the buyer as possible."

The survey quantifies the number of problems encountered by the new-car buyer and gauges the effectiveness of the manufacturers' Pre-Delivery Inspection (PDI) systems and the car makers' ability to deliver problem-free cars.

Approximately 65,000 questionnaires were sent out and 30,000 were returned for a 45 percent response rate. Buyers were asked to check off whether they have had problems in 10 categories ranging from electrical/accessories to wind noise. Eighty items were rated.

The industry average for the average number of problems per 100 vehicles is 247, according to the IQS. The Japanese are well below that number with an average of 169 problems per 100 vehicles, while the European and domestic makes average 267 and 268, respectively, per 100 units. For the top 20 lines, the number of problems per 100 vehicles ranged from 109 for the Cressida to 184 for the Colt.

Asked why Toyota dominates the list, Power responded, "Toyota has always done well on tracking in the CSI. The product shows up

Please turn to Page 49, Col. 1

Bieber makes pitch for UAW at Toyota

DETROIT.—UAW President Owen Bieber has issued a statement lauding Toyota's decision to build an assembly plant in the U.S.

Bieber also made a pitch for union representation: "We know Toyota management has been very positively impressed by the UAW workforce employed by NUMMI in California. Based on that foundation, we look forward to developing a productive ongoing relationship as Toyota establishes additional manufacturing sites."

Buick considers building 'hybrid' wagon-minivan

FLINT.—A vehicle between a station wagon and a minivan appears to be in the future for Buick.

"We're trying to sort out what has happened in the van and all-wheel-drive Blazer markets," said Buick General Manager Donald Hackworth. "We believe there is a vacuum being created behind those segments."

Buick has a proposal to make a luxury station wagon positioned as an alternative to a minivan.

"That's one of the niches we've put as a very high priority," Hackworth said.

He said the vehicle would be a seven-to-nine-passenger wagon with all of the seats facing forward. The wagon would have load-carrying and trailer-hauling capacity, but with a luxury interior.

It is likely the vehicle will contain components from existing rear-wheel-drive Buick models. The engine would probably be a 5-liter V-8.

Oldsmobile is considering a similar station wagon and the two divisions would probably work together on the project.

index

Advertising news	22
Auction reports	37
Classified advertising	38-46
Editorial page	10
Obituaries	50
Production by makes	52
Truck highlights	14-15

60th year—No. 5105

AUTOMOTIVE NEWS (ISSN 0005-1551) is published weekly except semiweekly the fourth week in April at 965 E. Jefferson, Detroit, MI 48207. Second-class postage is paid at Detroit, MI and at additional mailing offices. Postmaster: Send address changes to AUTOMOTIVE NEWS, Circulation Department, 740 Rush Street, Chicago, IL 60611.

used-car auction directory

Display Rates: $82.00 per column inch (minimum space 1 inch on 1 column). Listing Rates: (Maximum: Four lines of type—1 time, $26.00; 13 times, $24.00; 26 times, $22.00; 52 times, $19.00. For Frequency Display Rates contact Classifieds, Automotive News, 1400 Woodbridge, Detroit 48207. Phone (313) 446-6065. Closing: 12 days in advance.

CANADA

THE CANADIAN STOCK EXCHANGE

CANADA'S LARGEST AND FASTEST GROWING AUTO AUCTION CORPORATION

MONTREAL AUTO AUCTION LTD.
325 rue Norman
Ville St-Pierre
P.Q., Canada H8R 1A3
Phone (514) 483-6000
WEDNESDAY — 10:00 A.M.

ONTARIO AUTO AUCTION CORP.
406 Lake Ave North
Hamilton, Ontario
Canada L8E 3C2
Phone (416) 560-4851
THURSDAY — 10:00 A.M.

HALIFAX-DARTMOUTH AUTO AUCTION LIMITED
15 Notting Court, Burnside
Industrial Park, Dartmouth
N.S., Canada B3B 1N2
Phone (902) 465-3373
TUESDAY — 10:30 A.M.

LAWRENCE AUTO AUCTION EXCHANGE LTD.
12742 King George Hwy
Surrey, British Columbia
Canada V3V 3K5
Phone (604) 580-0011
TUESDAY — 10:30 A.M.

At your service from coast to coast! Well over 2000 cars & trucks every week. Over 12000 registered dealers... Call now!

AUCTION SCHOOLS

Mendenhall School of Auctioneering. America's Top-Quality Auction School. Vet Ap. Free Cat. Write or Call. P.O. Box 7344, High Point, N.C. 27264. (919) 887-1165.

ARIZONA

Southwest Auto Auction. Lease/fleet accounts and bank repos welcome. Member NAAA and NAFA. 3420 South 48th St., Phoenix, 602-894-2211. Since 1971.

COLORADO

Denver Auto Auction, 4285 South Santa Fe, Englewood, Colorado 80110. Sale every Wednesday, 11 a.m sharp! 303-761-1410.

FLORIDA

Lakeland Auto Auction, I-4, SR 33, P.O. Box 3806, Lakeland, Florida. Sale every Wednesday. 813-984-1551. "Profit the Lakeland way."

FLORIDA

Gulf Coast Auto Auction, 1319 61st Ave. E., Bradenton, Fla. 34203. 813-756-8478. Complete service fleet & lease accounts. Contact: J. Omar Landis, Henrietta Letty.

FLORIDA

Sanford Auto Auction. I-4 St. Rd. 46 Exit, 51 E., P.O. Box 997, Sanford, FL. Sale every Thurs. at 6:30. Ph: 305-323-4090. Fastest growing auction in the Southeast.

ILLINOIS

Greater Chicago Auto Auction. Every Thursday—1 P.M. Sharp. 800—1,000 cars & trucks. 312-597-3600.

INDIANA

Evansville Auto Auction & Recon Center— Fleet & Lease car specialist—Nationwide pickup. 812-425-4576. P.O. Box 2409, Evansville, Indiana 47714.

LOUISIANA

Bob French's Shreveport Auto Auction. 1315 Grimmet Drive, Shreveport, La. 318-222-5784. Thurs. 1 P.M. We cater to Lease & Fleet accounts. Since 1953.

MAINE

M.A.D.E. Auto Auction. Exit 11 Maine Turnpike, Gray, Maine. 4-lane, sale Tues. at noon. Weds. to 7 PM. Fleet-lease-pickup recon for N.E.A. J.C. Heim. 207-657-2000.

MISSOURI

Floyd Hauhe Auto Auction & Recon Ctr.—fleet & Lease car spec.—Nationwide pickup. 314-739-1300. 12000 St. Charles Rd., Bridgeton, St. Louis, MO 63044.

MINNESOTA

WEDNESDAY 12 NOON SALE DAY
Dec. 18—DEALER RECOGNITION DAY Giant Truck & 4x4 Sale
Dec. 19—Thurs., 5 PM, Semi-monthly Fleet & Lease Sale. Complimentary Buffet, 4:30
Dec. 27—Friday, 10 A.M.—Christmas Sale. Regular Consignments.
6 Lanes of Selling
Minneapolis Auto Auction
1125 Nathan Lane North
Minneapolis, MN 55441
612/546-2403
The Auction with the Action!!

MONTANA

Missoula Auto Auction — We need fleet and lease accounts. Pickup and recon in the Great Northwest. Missoula, Montana, every other Tuesday. 406-549-5854, Jim Ellis.

NEW JERSEY

WE SELL FOR THE COUNTRY'S LEADING LEASING CO.'s • FLEETS BANKS • FORD MTR. CO. • GMAC
SKYLINE AUTO AUCTION
100 Route 46, Fairfield, N. J. 07006
(201) 227-0100
6 Lane Selling Every Tuesday

NEW YORK

Northway Exchange, Inc., Rte. 146, Clifton Park, N.Y. Auction, 518-371-7500; Recon, 371-7800. Northeast's Finest - Every Thursday, 11:30 A.M. sharp.

NEW YORK

Northeast Auto Dealers Exchange, Inc., Rte. 17K, P.O. Box 2426, Newburgh, NY. 914-562-0700. Every Tuesday, 11:30 AM sharp. Serving metropolitan New York area.

OHIO

Ohio Auto Auction. The Tuesday sale. 3905 Jackson Pike, Columbus, Ohio. Call: 614-871-2771

OHIO

Wednesday Auto Auction. Exit 49 on I-270. Columbus, Ohio. Every Wednesday. Call: Area 614-497-2000.

OHIO

Cincinnati Auto Auction. We service fleet & lease co's. Recon facilities, p.u. & del., 300 mi. Reg. sale Fri., 12 noon, Repossessed car sale 2nd & 4th Thur. 513-874-9310.

OREGON

Portland Auto Auction. Fleet & lease accts. welcome, repos, etc. The West's best. Call: Bert, 503-286-3000. 3000 No. Hayden Island, Portland, Oregon 97217.

PENNSYLVANIA

Hatfield Auto Auction, Route 309, Box 309, Hatfield, Pa. 215-822-1935. Every Tuesday-11 A.M. Pickup service.

PENNSYLVANIA

GARDEN SPOT AUTO AUCTION
EPHRATA, PA.
SALE TUESDAY, 10:30 A.M.
FULL SERVICE AUCTION
Out of state fleet & lease accounts welcome
Contact: **J. Omar Landis, Jim Landis**
P.O. BOX 501, EPHRATA, PA. 17522
717-733-7917

PENNSYLVANIA

P A D E Every Wednesday
SERVING DEALERS AND FLEETS SINCE 1957
Pennsylvania Auto Dealers' Exchange, Inc.
P.O. BOX 41 YORK, PA 17405
PHONE (717) 266-6611

SOUTH CAROLINA

Bruce Auto Auction & Recon Center—Fleet and Lease car and truck disposal our thing. AAA credit. 803-242-3090, Greenville, South Carolina.

SOUTH CAROLINA

Rawls Auto Auction — Since 1938. Pickup, delivery unlimited. Recon facilities. Sale every Tues., 11 A.M. 803-657-5111 or 657-7244, Leesville, South Carolina.

TEXAS

Fort Worth Auto Auction. 2245 Jacksboro Hwy., Ft. Worth, TX 76114. Sale every Thursday. Contact: Frank Post, 817-626-5494.

WASHINGTON

So. Seattle Auto Auction. The lease & Fleet Specialists. Bob McConkey, Jr., 1-800-872-6800. P.O. Box 5189, Kent, Washington 98064.

For REALLY BIG RESULTS be sure and advertise in this section

TIME AUTO TRANSPORT
1-800-624-2021
313-545-2200 or 305-463-7024
or New Jersey 201-370-2070
1. 48 State ICC Auto Transp. Co.
2. Floating truck fleet covering 48 states
3. Fast, Competitive, Dependable Service
1-800-624-2021

factories list auction dates

American Motors

Dec. 17—Aptco Auto Auction, Taylor, Mich., and High Point Auto Auction, High Point, N.C.

Dec. 18—Metro Milwaukee Auto Auction, Caldonia, Wis.; Mid States Auto Auction, South Bend; Kansas City Auto Auction, Kansas City, and Columbus Fair Auto Auction, Obetz, O.

Dec. 19—Bel Air Auto Auction, Bel Air, Md.; Fredricksburg Auto Auction, Fredricksburg, Va.; Todd Auto Auction, Telford, Pa.; Minneapolis North Star Auto Auction, Shakopee, Minn.; Northway Exchange, Clifton, N.Y.; Corry Auto Auction, Corry, Pa., and Evansville Auto Auction, Evansville, Ind.

Dec. 20—Floyd Hauhe Auto Auction, Bridgeton, Mo.

Dec. 24—Arena Auto Auction, Chicago.

Dec. 30—D-A Auto Auction, New Stanton, Pa.

Used Car Sales
Auction Averages

Dec. to date	$4,589
Month ago	$4,648
Year ago	$5,192

Model Breakdown
Auction Averages

	DEC. 1985	NOV. 1985	OCT. 1985
1985	$9,321	$9,989	$9,706
1984	$6,599	$6,690	$6,891
1983	$5,682	$5,820	$6,047
1982	$4,644	$4,752	$4,870
1981	$3,481	$3,543	$3,591
1980	$2,706	$2,738	$2,896
1979	$2,193	$2,254	$2,404
1978	$1,671	$1,696	$1,765
Overall Average	$4,589	$4,714	$4,759

Chrysler Corp.

Dec. 17—Hatfield Auto Auction, Hatfield, Pa.; Arena Auto Auction, Chicago; Metro Auto Auction of Kansas City, Lee's Summit, Mo., and Florida Auto Auction of Orlando, Ocoee, Fla.

Dec. 18—Southern Auto Auction, Warehouse Point, Conn.; Columbus Fair Auto Auction, Obetz, O.; Dallas Auto Auction, Grand Prairie, Tex., and South Seattle Auto Auction, Kent, Wash.

Dec. 19—Fredricksburg Auto Auction, Fredricksburg, Va., and Clanton's Auto Auction, Darlington, S.C.

Dec. 20—St. Louis Auto Auction, Bridgeton, Mo.

Ford Motor Co.

Dec. 17—South Seattle Auto Auction, Kent, Wash.

Dec. 18—Golden Gate Auto Auction, Fremont, Calif.

Dec. 19—Arena Auto Auction, Chicago; Big H Auto Auction, Houston, and Denver Auto Auction, Englewood, Colo.

General Motors

Dec. 17—Southern Auto Auction, E. Windsor, Conn., and South Seattle Auto Auction, Kent, Wash.

Dec. 18—Northstar Auto Auction, Shakopee, Minn.; Brasher's Southern California Auto Auction, Fontana, Calif.; Clanton's Auto Auction, Darlington, S.C.; Metro Auto Auction of Kansas City, Kansas City, and Indianapolis Auto Auction, Indianapolis.

Colorado Auto Auction is purchased by Cox

ATLANTA.—Cox Communications, Inc., owner of Manheim Auctions, has acquired the Colorado Auto Auction in Denver from Van Mankwitz, who will remain to head the operation.

The Colorado Auto Auction has been in opertion since 1953.

Computer-generated car ads cut costs, C-E exec says

By Edward Lapham
Marketing Editor

The growing use of computer-generated automotive commercials can help reduce creative and production costs, according to Jim Nicoll, Campbell-Ewald vice president and special projects producer.

Once a vehicle's dimensions and specifications are programmed into the computer, reusing the computer-generated image is inexpensive, Nicoll told the Detroit Auto Writers Group.

"As long as the basic size and shape doesn't change and we only have to reload trim other other little detail things, it is inexpensive to reuse," Nicoll said.

Nicoll used last spring's Chevrolet Astro introduction campaign as an example.

He said the "parent" 60-second spot, which included the cost to load the vehicle into the computer, took 10 weeks and cost $800,000. A teaser ad, made before the parent spot was complete, used the "loaded" vehicle program and therefore took only 10 days and cost just $82,000.

Computer-generated images and special effects are best used to "grab your attention," Nicoll told DAWG.

Although special effects have worked well, Nicoll said most car makers are still predisposed to "jingle" advertising.

However, "media clutter" resulting from the number of breakaway advertising pods during TV programming and the profusion of 15-second spots will make special-effect advertising more popular because it can grab the viewer's attention through the use of "kinetic one-liners and explosions."

He said he believes that Chevrolet "will ultimately be the first" GM division to use stereo TV commercials because it traditionally has pioneered.

The current C-E creative approach on the Chevrolet account is avoidance of meaningless themelines.

"We're trying to define an attitude about Chevy rather than a set of words," Nicoll said.

"I think 'Today's Chevrolet' says that no matter which Chevrolet car or truck you drive, it will be up-to-date; no matter what you buy, it will be *au courant*."

Takes first 4 places in Power's Initial Quality Study

Toyota tops in trouble-free survey

Continued from Page 5

with the fewest problems." That fact also contributes to Toyota's high CSI rating.

"Every time we do one of these surveys, Toyota has the fewest number of people who have gone back with problems," Power said. "That's the best satisfaction there is—not having to take your car back in."

Power surmised that the two domestic cars that broke into the top 20 are there for different reasons. "They're older vehicles, more established cars. They've learned how to build them," he said, noting that the Citation II is no longer offered by Chevrolet. "Both cars popped up well in the CSI. They're also purchased by older buyers who are most likely to be less critical."

But why do the Japanese dominate? "I think there is a problem in making cross-comparisons," Power said of the relative performance of domestic versus Japanese cars.

"You can generally conclude that the Japanese have been making improvements in design and production and have cut down the number of initial quality problems. While the domestics are working hard at improving, the Japanese are a moving target—making more improvements. The problem for the domestics is to leapfrog the Japanese. The Japanese are turning cars around faster and introducing new technology at a faster rate."

So while the domestic manufacturers are improving quality tremendously, the Japanese are keeping pace.

Power sees danger in overemphasizing improvements in domestic cars through advertising. "Every time you see ads for quality, we as an industry are raising customer expectations even more," he said.

Those expectations have already been raised to the point that customers no longer want to be part of the PDI (pre-delivery inspection) loop. "That philosophy is still out there and the warranty policy contributes to it," Power said.

"The salesman tells the owner when he picks up the car that there may be some minor problems and to make a list and bring the car in at 3,000 miles and they'll be taken care of. That kind of philosophy breeds dissatisfaction in today's market."

Power sees more manufacturers taking over PDI for uniform quality control. "Some dealers can take care of it (proper PDI) and some don't," he said.

The IQS revealed that about 60 percent of the problems reported had been taken to the dealership at the time of the survey. The remaining 40 percent were either small enough that the owner waited for the next scheduled maintenance or took them elsewhere.

Of the problems taken to the dealerships, domestic and European dealerships scored higher (45 and 46 percent, respectively) in the percentage of problems that were entirely corrected. Dealerships handling Japanese imports corrected 42 percent of those problems.

"What you have to do is look at the net unfixed problems," Power said of those percentages. "Factory prep and port-of-entry prep are so good that the problems easily correctable are caught. If you can cut down on the number of (those) problems . . . chances are that the problem the dealer ends up taking in is something he can't correct."

In other words, paint or a piece of trim can be fixed easily and should be taken care of before the car is released, while wind noise or a driveability problem—one relating to basic vehicle design—is virtually impossible for a dealer to correct.

Engine/driveability difficulties were the problems respondents cited most often in the IQS study. Seventeen percent of the respondents reported such problems at delivery or afterward. That category was followed by electrical/accesories at 15 percent and exterior paint/moldings, interior trim and squeaks/rattles at 11 percent each.

Japanese cars led—with 17—in the fewest engine problems per 100 cars, followed by the European makes with 37 and domestic cars with 47 per 100.

The individual power plant that recorded the most engine-related problems per 100 cars was the Jaguar V-12, with 76 per 100 vehicles, while the lowest was the Mazda rotary with 11. By model, the Toyota Cressida—with seven—had the fewest engine-related problems per 100 vehicles, and Ford's Tempo/Topaz had the highest number: 103.

By engine type, 4-cylinder engines had the highest number of engine-related problems (43 per 100), while V-6 and V-8 powerplants recorded slightly lower rates. By manufacturer, Toyota reported the fewest engine problems per 100 cars—14; Chrysler, with 66, had the highest number, the study said.

In exterior paint and trim, the Japanese outscored European and domestic makes by recording only 21 problems per 100 cars, while the other two logged 25 and 32 problems per 100, respectively.

Power said the value of the study goes beyond identifying major problem areas in that "it allows the manufacturers to discover any latent or submarginal items that may give a problem—things that the buyer won't take into the dealer immediately. It's coming to a point where the manufacturers have to respond quickly" to those types of problems.

New-Car Problems

Model	Total problems per 100 vehicles
Toyota Camry	109
Toyota Cressida	122
Toyota Tercel	127
Toyota Corolla	133
Honda Civic	137
Honda Accord	143
Mercedes-Benz 380	144
Toyota Celica	150
Mercedes-Benz 500	151
Toyota Supra	156
Nissan Sentra	157
Mercedes-Benz 300	159
Honda Civic CRX	165
Mazda RX-7	165
Nissan 200-SX	170
Ford Crown Victoria	171
Chevrolet Sprint	172
Chevrolet Citation II	173
Chevrolet Spectrum	184
Dodge Colt	184

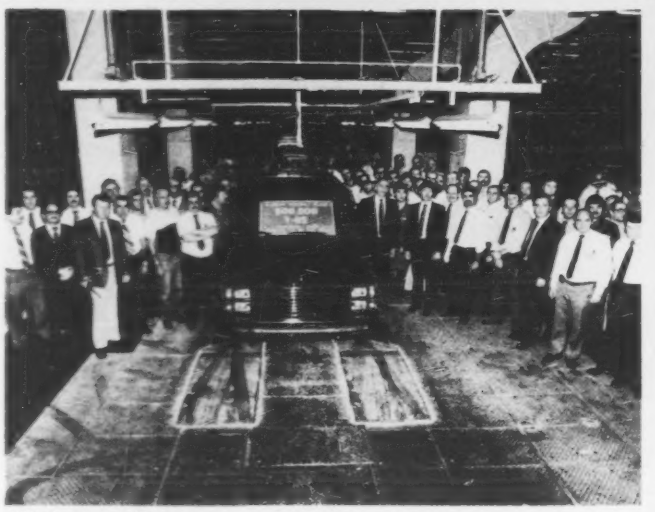
Source: 1985 New-Car Initial Quality Survey, J.D. Power

In Japan, AMC goes with Kinki

TOKYO.—Kinki Shibaura Auto Service Co. has reached an agreement with American Motors to market AMC's vehicles in Japan.

Kinki Shibaura—which is owned equally by Kinki Motors Co. and Kinki Nippon Railway Co.—has targeted sales of 200 AMC vehicles annually: 50 percent Jeeps, 40 percent multipurpose cars and 10 percent larger passenger cars.

AMC is considering phasing out Jeep Japan, Ltd., its wholly owned subsidiary which has been selling AMC vehicles in Japan since 1982.



Minivan milestone

Chrysler Corp. has produced its 500,000th minivan—a dark red 1986 Plymouth Voyager LE destined for a Chrysler dealership in Salem, Ill. Minivans have been built at Chrysler's Windsor (Ont.) assembly plant since October, 1983. More than 1,000 minivans are built at the Windsor plant each day.

She wanted to talk to Toyota

Land owner wouldn't sign

The life of Georgetown (Ky.) resident Marilyn Singer has not exactly been disrupted by Toyota's announcement that it will build an assembly plant in her town. But things began to get unpleasant for her a couple of weeks ago.

She was at work one day when John Cooper, whom Singer describes as "involved in real estate in Scott County and an aide to Joe Prather, president pro tem of the state senate," came in and asked if he could drive her to the bank.

Her signature was needed, she was told, so the state could acquire a 136-acre parcel of the 1,500 acres Toyota wanted for its facility.

The parcel is a cattle farm owned by Singer's mother-in-law and managed under contract by Singer's husband.

"Cooper offered to drive me to the bank, but I told him I preferred to take my own car," Singer said.

Waiting for her at the bank were members of the Kentucky Economic Development Corp.—a former sheriff who now has a state job, a bank officer, Kentucky's commerce secretary, a lawyer for the State of Kentucky and her husband—"all men," Singer noted, "and I really felt abused as a woman when they began to put the pressure on me."

"They told me they absolutely had to have my signature then and there," for the plant to be built in Georgetown.

"I'm not a women's libber by any means, but nobody should have to make a decision under that kind of pressure," she said.

Singer didn't sign that day, and she still hasn't signed.

"Now they've decided they don't need my signature after all," she said. "It's a very complicated matter—but when my husband's contract comes up for renewal in March, his mother just won't renew it." The land will then be sold to the state, at $6,000 an acre.

"If they had handled it better, they'd have had my signature," Singer said. "But they insisted that they needed it that very day.

"I wanted to take my time. I wanted to talk to Toyota to get some assurance that if they came in here and changed everything, changed people's lives, they'd stay," Singer said.

"But I was told it was a federal law that foreign companies can't negotiate directly with the people," she said.

"Well it doesn't matter now, does it? They don't need my signature after all."

Informed that there was a picture of downtown Georgetown in a Detroit newspaper and that her hometown looks nice, Singer replied, with a smile in her voice, "It is!"

—Louise Kertez

Site of $800 million plant announced, amid hoopla

Toyota joins hands with Kentucky

Continued from Page 5

Toyota's North American operations conform to the U.S.-Canada auto pact requirements, Toyota said. That would allow Toyota to bring cars across the border duty-free in both countries.

Toyota will build as many as 200,000 units a year of a version of the Toyota Camry at the Kentucky plant when it comes on stream in mid-1988. President Toyoda said the company hoped to bring together at the plant the best that Japan and the U.S. have to offer as well as the best of worldwide advanced technology.

"Whether the UAW is part of that effort will have to be decided by the workers," he said when he was asked if the company will invite the union in, as Mazda has at its facility in Flat Rock, Mich.

President Toyoda also said that the decision to build a plant in the U.S. was simply a logical step in Toyota's evolution and a recognition of the fact that the U.S. is its biggest market.

"Voluntary import restraints played no part in this decision," he said.

Toyota hopes to reach sales of one million units in this country by the end of the decade; it does not have the production capacity in Japan to achieve that goal.

The new plant will be located on a 1,500-acre site in the rolling farmlands adjacent to Interstate 75. In addition to an assembly line, the complex will house a stamping plant and other facilities as yet unspecified.

Toyota will import engines and drivetrains for the cars, but company officials said local sourcing and U.S. labor would result in a vehicle with 50 percent domestic content.

Toyota, the biggest of the Japanese auto makers, received offers from 30 states to locate within their borders. S. Tamura, head of Toyota's site-selection committee, said that all the states made very attractive offers but that in the end, it was an ephemeral sense of "rightness" that won the day for Kentucky.

Collins would not say how much the state provided in incentives to Toyota, but the amount is believed to be in line with inducements that Illinois and Michigan extended to Mitsubishi Motors Corp. and Mazda Motor Corp.—about $150 million to $250 million.

A local official who wished not to be identified suggested that to get the Toyota plant, Kentucky "gave away the store."

Whatever the case, Toyota now becomes the fifth Japanese auto maker with assembly facilities in the U.S. By 1989, when they are all on line, those plants will be capable of producing some 1.1 million cars and trucks a year.

Toyota joins Nissan, Honda, Mitsubishi and Mazda as a U.S. producer. The Nissan plant in Smyrna, Tenn., and the Honda facility in Marysville, O., are already in operation. Mazda is building a plant in Flat Rock, Mich., and Mitsubishi will construct one in Bloomington-Normal, Ill., in a joint venture with Chrysler Corp.

Toyota and General Motors also are engaged in a joint venture in Fremont, Calif., that builds the Chevrolet Nova.

Ford Scorpio named Car of Year in Europe

LONDON.—The Ford Scorpio has won the latest European Car of the Year award.

It scored 337 points in a competition involving 56 auto writers from 17 European countries. The U.S. version of the Scorpio will be sold by L-M dealers next fall.

Austin Rover names XX

LONDON.—Austin Rover confirmed it will call its Project XX car Sterling in the U.S. and 800 in Europe. Austin Rover's version of the vehicle, developed with Honda, is to be launched in Europe this summer and in the U.S. early in 1987.

Method of figuring carryforward credits challenged

EPA sued on CAFE adjustment

By Helen Kahn
Washington Bureau Chief

WASHINGTON.—A suit against EPA challenging the legality of seven years of retroactive adjustment of CAFE levels as well as the appropriateness of the relief has been filed by the Center for Auto Safety, Public Citizen, Environmental Policy Institute, and the Union of Concerned Scientists.

The Automobile Importers of America, Ford Motor Co. and General Motors are intervenors in support of EPA.

The suit—like others filed by the same groups—may affect the size of carryforward credits that auto companies have used to offset CAFE shortfalls. However, it may be a year or more before a settlement is reached.

The decision could affect the amount of the fine assessed against Jaguar for missing the 1983-84 standard (Automotive News, Dec. 9).

The suit, filed in the U.S. Court of Appeals for the District of Columbia Circuit, stems from the 1975 CAFE law. That law required EPA to rule on the effect on measured CAFE of changes in the test procedures from those used for 1975 models. Thus, auto makers were given some allowance in meeting CAFE.

In mid-1979, Ford and GM petitioned EPA to upgrade CAFE ratings starting with 1980 models. EPA eventually ruled that it would make both retroactive and prospective allowances, but would not offset those to account for other changes which had boosted auto makers' CAFEs over the 1975 level.

The suit was filed by the same consumer groups that have challenged the NHTSA CAFE rollback for 1986 passenger cars and 1985 and 1986 light trucks. The groups have also challenged NHTSA's failure to issue CAFE standards for light trucks for the 1987 and 1988 model years to accord with the law's timetable.

The suit says EPA should not have given retroactive allowances stretching back to the 1980 model year.

According to the plaintiffs, the law requires that any CAFE adjustment be set by regulation at least one year before the start of the pertinent model year.

The lawsuit says, "As to four of the adjustments made here, the manufacturers did not petition for an adjustment until it was too late to issue a rule affecting the 1980 or 198. model years; the other three were not sought until 1984 and were not adopted until June, 1985, thus making any adjustment improper until the start of the 1987 model year."

The second part of the suit says that "if EPA is legally entitled to make such retroactive adjustments, and if the agency decides to adjust mileage ratings to make the results 'comparable' to the results attainable under the 1975 model-year procedures, then 'comparable' means 'comparable.'"

In other words, "EPA's decision to adjust reported mileage ratings in one direction, but not the other, gives manufacturers an undeserved windfall, contrary to the conservation goals of Congress."

The suit—on behalf of consumers interested in owning and using the most fuel-efficient cars possible—claims injury because the adjustment gives credits estimated to be worth $540 million to GM and $245 million to Ford. In addition, says the suit, such valuable credits diminish the auto makers' incentives to market a spectrum of fuel-efficient vehicles.

In July, 1979, when GM and Ford initially asked EPA for adjustments for four changes in test procedures, EPA refused because it said no changes were needed. But the Sixth Circuit Court of Appeals disagreed and ordered EPA to start rulemaking. The consumer groups concede that some retroactive adjustment may be allowed —but not so far back as the 1980 model year.

Another issue of concern to the plaintiffs is that the auto makers take their lumps for boosted CAFE levels as well as enjoy the benefits of revised levels. In other words, EPA must be "neutral" in taking into account all "legitimate changes" that affect fuel-economy levels. The two highly technical matters involved here are use of "coastdown techniques" and mileage accumulation limits.

That issue was not addressed in the 1979 petition or the 1980 EPA rule; in fact, say the plaintiffs, it did not "formally arise" in the context of fuel economy until the 1983 proposed rule. Thus, if plaintiffs read the law correctly, EPA acted properly in making CAFE adjustments prospective only.

"If petitioners do not prevail on that issue, however, and if upward adjustments to manufacturer CAFE ratings are permitted retroactively, then an appropriate offsetting adjustment should be made to take these negative adjustments also," the suit says.

Rapido Merkur XR4Ti

Rapido Group, Palentia, Calif., offers an intercooler for the Merkur XR4Ti. The standard Merkur engine produces 175 HP at 5,000 RPM. Rapido says its stainless-steel, free-flow exhaust system and the turbocharged intercooler boost HP to 190.

FTC grants Wisconsin another stay of U.C. rule

WASHINGTON.-Wisconsin has been granted another stay of the effective date of the FTC's used-car rule.

The extra 180 days, due to expire June 3, 1986, continue a stay that expired Dec. 5.

During the extension, FTC will continue reviewing Wisconsin's petition for an exemption from the federal rule.

Last October, Wisconsin's Department of Transportation informed FTC it will consider changing its regulation to conform more closely with the FTC rule, which was effective last May 9.

The FTC rule requires a window sticker with warranty information and other data, including the suggestion that consumers ask about getting an independent examination and appraisal before purchase and a warning not to rely on oral promises from salesmen.

However, it does not include a list of "known" defects—the major bone of contention in the convoluted and litigious story of the FTC used-car rule.

Wisconsin's DOT has sent a letter to FTC, agreeing to consider a number of changes. They include adding to its existing window sticker the FTC provisions on spoken promises, pre-purchase inspection and specific warranty data; the FTC type size for "warranty" and "as is" data, and a statement that the auto inspection provisions on the sticker are not part of the dealer-consumer contract.

Since the Wisconsin regulation already in effect does require dealers to inspect cars and check off a window sticker list, FTC said the extra extension is not likely to hurt used-car buyers and may avoid unnecessary expense to the state's dealers.

The vote to extend the stay was 2 to 1, with Commissioner Patricia P. Bailey dissenting.

Nissan minivan slated for U.S. 'soon,' Kume says

Continued from Page 4

However, he said, Nissan is not at this time considering establishing a separate sales channel to handle such a new market entry. But he noted that in order to approach such a new-car segment, a move to a separate sales network may be a future consideration.

Kume said Nissan also would like to build a larger car with a larger engine for both domestic sales and exports. He also said the company is preparing to redesign its large President model, which is currently sold only in Japan.

Kume said Nissan may export the next President model because "the domestic market would not be large enough to justify the investment."

Kume said that if the yen continues to grow stronger against the dollar, "we may have to reflect the change in the regional prices of the cars." He did not rule out further price hikes to accompany its recent 4-percent boost on cars.

Kume said he envisions stiff competition in the small-car segment in the U.S. because of the strong yen.

"We are at a disadvantage because of the strong yen," he said. "One thing we may have to do is increase the local content of the vehicles we produce in Smyrna, Tenn."

obituaries

Matthew M. Moriarty Sr.

MANCHESTER, Conn.—Matthew M. Moriarty Sr., 82, founder and board chairman of Moriarty Bros. (Lincoln-Mercury-Mazda), died Dec. 1. Mr. Moriarty was a past president of the Lincoln-Mercury Dealers Council of New England and the Connecticut Automotive Trades Assn.

Irving J. Demarest

WESTWOOD, N.J.—Irving J. Demarest, 98, died Dec. 1. Mr. Demarest founded I.J. Demarest, Inc. (Chevrolet), in 1914. When he retired in 1982, he was Chevrolet's senior dealer. The dealership is now under the direction of Mr. Demarest's grandson, Roger T. Demarest.

Domestic-car stockpile moves up to 3-year high

Continued from Page 3

models' first sales day, Dec. 26. Those models added two days to the Ford corporate supply level.

For comparison purposes, this month's domesticdays-supply figure of 78 days was well above the 65-day level of a month earlier and 58 days a year earlier. The domestic industry considers 65 days' worth of cars on the high side of the ideal range.

The Dec. 1 unit count of 1,605,832 compares with 1,433,567 one month earlier and 1,405.417 one year earlier.

This month's inventory shares: General Motors, 62.69 percent; Ford, 19.00 percent; Chrysler Corp., 14.04 percent; AMC, 2.60 percent; Volkswagen, 1.18 percent; Nissan, 0.26 percent, and Honda, 0.23 percent. (All figures for VW, Nissan and Honda in this story are for U.S. auto production only.)

One month ago the shares were: GM, 61.59 percent; Ford, 20.28 percent; Chrysler, 13.63 percent; AMC, 2.86 percent; VW, 1.18 percent; Nissan, 0.27 percent, and Honda, 0.19 percent.

By size class, the Dec. 1 inventory was split this way: Subcompact, 16.54 percent; compact, 22.04 percent; intermediate, 39.47 percent; standard, 11.02 percent, and luxury, 10.93 percent.

One month earlier the split was: Subcompact, 17.09 percent; compact, 21.54 percent; intermediate, 37.91 percent; standard, 11.36 percent, and luxury, 12.10 percent.

Domestic models by size class and days' supplies on Dec. 1:

Subcompact—Encore, 244; EXP, 164; Laser, 134; Fiero, 133; Nova, 115; Pontiac 1000, 109; Alliance, 108; Daytona, 98; Turismo, 92; Charger, 91; Omni, 89; Horizon, 83; Golf, 77; Chevette, 59; Lynx, 54; Escort, 36, Sentra, 18, and Honda, 8.

Compacts—Capri, 127; Eagle, 122; Skyhawk, 111; Firenza, 110; Cimarron, 108; LeBaron, 91; Sunbird, 86; Aries, 85; Camaro, 85; Cavalier, 83; Reliant, 79; Mustang, 68; Firebird, 66; Tempo, 47, and Topaz, 45.

Intermediate—Regal, 154; Grand Prix, 148; Somerset Regal, 136; Bonneville, 125; LTD, 110; Marquis, 108; Century, 107; Cutlass Supreme, 104; Citation, 102; Cougar, 100; Lancer, 99; Thunderbird, 93; Dodge 600, 90; Monte Carlo, 90; Calais, 87; LeBaron GTS, 82; Pontiac 6000, 75; New Yorker, 73; Caravelle, 72; Cutlass Ciera, 68; Celebrity, 61; Grand Am, 32, and Skylark, 5.

Standard—Parisienne, 126; Chevrolet, 100; Plymouth, 89; LeSabre, 82; Crown Victoria, 72; Grand Marquis, 65; Diplomat, 64, and Olds 88, 59.

Luxury—Electra, 137; Corvette, 115; Cadillac, 81; Olds 98, 67; Seville, 65; Toronado, 61; Continental, 59; Mark VII, 58; Riviera, 57; Eldorado, 53; Lincoln, 41, and Fifth Avenue, 34.

NEW-CAR STOCKS

	Dec. 1, 1985	Nov. 1, 1985	Dec. 1, 1984
Alliance	108	101	54
Encore	244	141	84
Total Renault	137	113	84
Eagle	122	103	73
Total AMC	122	103	73
AMERICAN MOTORS	135	112	82
Horizon	83	54	88
Turismo	92	69	87
Reliant	79	42	82
Caravelle	72	39	48
Plymouth	89	72	107
Total Plymouth	81	48	81
Laser	134	85	114
LeBaron K	91	54	69
LeBaron GTS	82	88	150
Fifth Avenue	34	20	60
New Yorker	73	67	70
Total Chrysler	76	50	75
Omni	89	64	80
Charger	91	69	87
Daytona	98	73	94
Aries	85	46	78
Lancer	99	90	167
Diplomat	64	58	113
Dodge 600	90	59	65
Total Dodge	89	61	84
CHRYSLER CORP.	82	53	80
EXP	164	96	114
Escort	36	40	65
Mustang	68	61	48
Tempo	47	49	70
Thunderbird	93	83	64
LTD	110	75	66
Crown Victoria	72	61	99
Total Ford Division	58	56	70
Lynx	54	45	64
Topaz	45	51	58
Cougar	100	77	55
Capri	127	114	93
Marquis	108	68	65
Grand Marquis	65	55	104
Total Mercury	75	61	72
Continental	59	66	88
Lincoln	41	41	50
Mark VII	58	55	87
Total Lincoln	45	46	62
Total L-M Division	65	57	70
FORD MOTOR	60	56	70
Skyhawk	111	85	41
Skylark	5	56	61
Somerset Regal	136	111	67
Century	107	71	39
Regal	154	109	43
LeSabre	82	77	56
Electra	137	109	31
Riviera	57	47	39
Total Buick	115	87	46
Cimarron	108	92	61
Seville	65	73	42
Cadillac	81	71	34
Eldorado	53	53	46
Total Cadillac	76	69	39
Chevette	59	60	64
Nova	115	112	0
Cavalier	83	87	44
Citation	102	84	107
Camaro	85	73	68
Celebrity	61	57	41
Monte Carlo	90	75	42
Chevrolet	100	93	70
Corvette	115	96	49
Total Chevrolet	82	77	56
Firenza	110	101	61
Calais	87	65	64
Cutlass Ciera	68	52	27
Cutlass Supreme	104	70	34
Olds 88	59	72	51
Olds 98	67	71	39
Toronado	61	50	58
Total Oldsmobile	77	65	41
Fiero	133	102	71
1000	109	70	67
Sunbird	86	71	47
Firebird	66	57	47
Grand Am	32	32	28
6000	75	56	35
Bonneville	125	87	61
Grand Prix	148	96	66
Parisienne	126	107	86
Total Pontiac	81	65	52
GENERAL MOTORS	86	73	49
VOLKSWAGEN	77	72	56
HONDA	8	7	4
NISSAN	18	15	0
DOMESTIC TOTAL	77	65	58
Subcompact	63	56	68
Compact	77	65	59
Intermediate	85	67	50
Standard	83	77	76
Luxury	73	60	46

First time since 1979

Makers build 8-millionth car

By Kathy Boyer
Detroit Reporter

U.S. makers produced their eight-millionth car of the year last Friday (Dec. 13). It is the first year since 1979 that the manufacturers have reached that mark.

The auto makers built 8,418,369 cars in 1979.

So far this year, 8,018,075 units have been assembled, 4.83 percent more than the 7,648,379 cars completed last year at this point.

Last week's estimated output of 183,112 units was 3.15 percent below the previous week's 189,068, when 16 plants worked Saturday (Dec. 7) overtime.

The prior week's build was the highest since the week ended Dec. 15, 1984, when 189,998 cars were assembled.

The scheduled production for last week dipped 3.62 percent from the year-ago week's total of 189,998, which was the highest week's build of 1984.

Companies shared last week's estimated production as follows: General Motors, 60.12 percent; Ford Motor Co., 17.69 percent; Chrysler Corp., 15.25 percent; Honda of America Mfg. Co., 2.01 percent; American Motors, 1.50 percent; Volkswagen of America, 1.28 percent; Nissan Motor Mfg. Co., U.S.A., 1.11 percent, and New United Motor Mfg. Co., 1.04 percent.

AMC's Kenosha plant resumed production last week after being closed for two weeks for inventory adjustment.

GM scheduled Saturday (Dec. 14) overtime at the following plants: Janesville, Wis.; Leeds, Mo.; Lordstown, O.; Orion Township, Mich.; Willow Run, Mich.; Doraville, Ga.; Framingham, Mass., and Oklahoma City.

Ford has scheduled daily overtime this week (Dec. 16) at these plants: Lorain, O.; Dearborn; Wixom, Mich.; Edison, N.J.; Wayne, Mich., and Kansas City.

Overtime was slated for three Chrysler plants last Saturday (Dec. 14): Belvidere, Ill.; Newark, and St. Louis (No. 2).

Those plants are scheduled for daily overtime this week.

Saab to pay for repainting 1976-78 cars from Belgium

By Jake Kelderman
Washington Reporter

WASHINGTON.—Under a proposed consent agreement reached between the FTC and Saab-Scania of America, owners of 1976 through 1978 Saab cars whose paint has peeled will be reimbursed for any paint-related repairs made on their cars

About 1,100 cars might be affected.

According to a complaint filed by the commission, the cars in question were produced in Saab's plant in Malines, Belgium, and were improperly prepped before being painted. Saab closed the Malines plant in 1978.

The FTC said Saab "knew or should have known about the paint problem by Dec. 31, 1977, but failed to disclose the existence of the problem or possible repair costs to prospective purchasers."

Under the terms of the consent agreement, Saab will offer to repair or make reimbursements to original buyers of Belgian-made Saabs who purchased the cars after Dec. 31, 1977, and to subsequent owners who bought the vehicles within 36 months of the original purchase.

Paint problems must have occurred within the first 36 months of original ownership and, in the case of a reimbursement request, the original repairs must have been paid for within the first 42 months of ownership.

According to the FTC's Boston regional office, the needed repairs run from $800 to $2,000. Under the consent agreement, Saab will pay up to $2,000.

The agreement between Saab and the FTC does not include cars sold in Massachusetts, where the state attorney general previously reached an agreement with the company.

Nor will Saab notify owners in Vermont and Maine of its agreement with the FTC; the company had settled the matter earlier in those states as well.

A Saab spokesman said the company had agreed to the consent order at least a year ago because it "had a continuing interest in the quality of its cars and the satisfaction of its customers."

Meanwhile, FTC sources indicated the commission is also in the final stages of completing a consent agreement with Volkswagen U.S., Inc., regarding valve stem seal and oil consumption problems in early-model VW Rabbits, Dashers and Audi Fox vehicles.

The alleged problem is considered to be responsible for engine seizures and damage in those vehicles. In its original complaint against Volkswagen, the FTC charged that the company knew or should have known about the problem as early as 1976.

Truck production climbs to 83,121, best since 1978

Domestic truck makers' estimated production of 83,121 units last week was the highest since the week ended Oct. 20, 1978, when 84,623 trucks were assembled.

The scheduled build was 2.96 percent more than the previous week's 80,731.

Last week's scheduled production was 20.10 percent more than the year-ago week's 69,207.

So far this year, 3,232,093 trucks have been assembled, 6.28 percent more than the 3,038,136 completed last year at this point.

General Motors scheduled overtime Saturday (Dec. 14) at the following plants: Baltimore; Janesville, Wis.; Lordstown, O.; Lorain, O.; Pontiac West (No. 2); St. Louis, and Shreveport, La.

Ford Motor Co. has slated daily overtime this week (Dec. 16) at Wayne, Mich.; Kansas City; Norfolk; Twin Cities; Lorain, O., and Louisville.

Chrysler's Warren (Mich.) plant was scheduled for Saturday (Dec. 14) overtime and for daily overtime this week.

Canadian trucks pass 800,000 eight days early

Canadian truck makers built their 800,000th truck last Friday (Dec. 13), eight days ahead of 1984's pace.

Year-to-date, 800,424 trucks have been assembled, 1.72 percent more than the 786,874 completed last year at this point.

Estimated production of 19,197 trucks last week was down 0.31 percent from the previous week's 19,256 but was 10.88 percent more than the year-ago week's 17,313.

Canadian auto makers scheduled production of 26,564 cars last week. If the total matched the expectation, it was the highest since the week ended May 14, 1983, when 27,994 cars were assembled.

Last week's targeted build was 2.77 percent more than the previous week's 25,847—the highest actual production of any week since the week ended May 14, 1983.

Last week's total was 29.42 percent more than the year-ago week's 20,525.

So far this year, 1,054,362 cars have been assembled, 4.45 percent more than the 1,009,438 completed last year at this point.

U.S. CAR PRODUCTION

	Week Ended Dec. 14, 1985	Week Ended Dec. 15, 1984	Week Ended Dec. 7, 1985	Dec. to Date	Jan. 1 to Dec. 15, 1984	Jan. 1 to Dec. 14, 1985
AMERICAN MOTORS	2,750	4,779	0	2,750	187,193	108,375
Renault Total	2,750	4,779	0	2,750	187,193	108,375
Alliance	2,000	2,920	0	2,000	107,615	71,724
Encore	750	1,859	0	750	79,578	36,651
CHRYSLER CORP.	27,900	27,353	33,675	61,575	1,220,632	1,241,767
Plymouth Total	9,050	7,438	9,316	18,366	370,382	361,054
Horizon	3,800	2,768	3,798	7,598	156,429	139,485
Reliant	4,100	3,114	3,844	7,944	168,989	159,281
Caravelle	1,000	1,322	1,307	2,307	24,089	47,439
Gran Fury	150	234	367	517	20,875	14,849
Chrysler Total	9,300	9,507	11,882	21,182	394,354	407,353
LeBaron	3,200	2,643	3,111	6,311	113,831	94,383
LeBaron GTS	0	1,514	2,615	2,615	9,268	95,260
Laser	1,200	1,281	1,141	2,341	68,903	51,324
New Yorker/E-Class	1,300	1,456	1,642	2,942	88,127	63,165
Fifth Avenue	3,600	2,613	3,373	6,973	114,225	103,221
Dodge Total	9,550	10,408	12,477	22,027	455,806	473,360
Omni	3,300	2,832	3,388	6,688	143,478	133,675
Aries	3,100	3,073	3,510	6,610	139,629	132,623
Daytona	1,200	931	1,221	2,421	51,958	46,849
Dodge 600	1,700	1,569	1,744	3,444	73,171	64,900
Lancer	0	1,179	1,866	1,866	7,239	65,180
Diplomat	250	824	748	998	40,421	30,193
FORD MOTOR	32,400	40,417	35,987	68,387	1,742,359	1,600,932
Ford Division	21,572	25,214	23,468	45,040	1,125,053	1,073,638
Escort	7,660	6,042	8,812	16,472	335,387	337,005
Mustang	3,809	3,634	4,502	8,311	136,880	181,030
LTD	0	5,246	0	0	221,006	184,449
Taurus	2,211	0	2,125	4,336	0	10,105
Thunderbird	3,753	3,297	3,143	6,896	144,029	166,559
Crown Victoria	0	2,182	0	0	84,253	7,122
EXP	0	1,104	0	0	41,807	3,863
Tempo	4,139	3,709	4,886	9,025	161,691	183,505
L-M Division	10,828	15,203	12,519	23,347	617,306	527,294
Mercury Total	7,162	11,013	8,869	16,031	452,150	367,927
Lynx	1,763	2,314	2,066	3,829	68,512	73,379
Capri	763	444	825	1,588	17,781	19,630
Marquis	0	2,598	0	0	118,085	84,073
Sable	1,159	0	700	1,859	0	4,462
Cougar	2,292	2,782	3,943	6,235	114,462	127,783
Grand Marquis	0	1,441	0	0	88,222	7,915
Topaz	1,185	1,434	1,335	2,520	45,088	50,685
Lincoln Total	3,666	4,190	3,650	7,316	165,156	159,367
Continental	508	760	509	1,017	35,444	24,751
Lincoln	2,751	2,969	2,737	5,488	104,511	117,000
Mark VI/VII	407	461	404	811	25,201	17,616
GENERAL MOTORS	110,087	112,503	110,197	220,284	4,291,449	4,733,443
Buick Total	21,602	22,787	21,552	43,154	968,233	984,728
Skylark	0	3,379	0	0	107,797	40,953
Skyhawk	3,832	2,000	3,760	7,592	125,064	110,150
Somerset	1,482	2,120	1,541	3,023	26,558	115,675
Century	7,239	4,575	7,370	14,609	223,868	292,745
Regal	2,883	3,115	3,092	5,975	171,836	133,584
LeSabre/Electra (rwd)	235	4,256	230	465	201,578	96,345
LeSabre (fwd)	1,500	0	1,206	2,706	0	8,896
Riviera	443	1,442	343	786	51,900	47,710
Electra (fwd)	3,988	1,900	4,010	7,998	59,632	138,670
Cadillac Total	7,279	8,071	6,819	14,098	322,212	321,463
Cimarron	618	61	648	1,266	14,791	26,810
Seville	337	927	229	566	37,705	29,072
Eldorado	476	1,861	366	842	74,405	54,380
Cadillac (rwd)	1,415	1,974	1,126	2,541	108,374	39,828
DeVille (fwd)	4,433	3,248	4,450	8,883	86,937	171,373
Chevrolet Total	36,050	39,488	36,580	72,630	1,439,554	1,591,392
Chevette	2,777	3,465	3,237	6,014	170,130	149,528
Cavalier	11,357	10,908	11,125	22,482	389,886	481,815
Celebrity	5,854	5,273	5,822	11,676	274,796	259,066
Camaro	4,985	5,406	4,879	9,864	222,154	209,762
Citation	0	2,011	0	0	101,350	28,697
Malibu/El Camino	0	301	0	0	23,419	1,199
Monte Carlo	2,860	2,575	2,825	5,685	97,503	134,837
Chevrolet	7,217	8,544	7,698	14,915	125,760	281,176
Corvette	1,000	1,005	994	1,994	34,556	45,312
Oldsmobile Total	27,190	25,601	26,309	53,499	1,045,454	1,142,496
Omega	0	0	0	0	29,289	0
Firenza	1,452	1,787	1,507	2,959	66,274	61,564
Cutlass Supreme	4,698	4,011	4,506	9,204	247,975	228,450
Cutlass Ciera	8,753	7,128	9,025	17,778	244,062	348,386
88/98 (rwd)	1,080	5,716	773	1,853	304,253	167,996
88 (fwd)	4,056	0	3,138	7,194	0	20,145
Olds 98	3,573	2,895	3,524	7,097	79,421	141,519
Calais	3,260	2,995	3,587	6,847	30,703	146,073
Toronado	318	1,069	249	567	43,477	28,903
Pontiac Total	17,966	16,556	18,937	36,903	515,996	693,364
Acadian**	0	275	377	377	13,804	18,053
2000 Sunbird	3,024	3,197	2,989	6,013	133,322	138,425
1000	890	1,088	1,048	1,938	38,528	34,819
Firebird	2,635	3,661	2,580	5,215	105,775	111,535
Phoenix	0	0	0	0	14,116	0
6000	2,112	0	2,142	4,254	0	56,384
Grand Prix/Bonneville	0	0	0	0	29,733	0
Parisienne	2,655	2,602	2,647	5,302	48,738	88,258
Fiero	2,400	2,854	2,407	4,807	111,550	106,700
Grand Am	4,250	2,879	4,747	8,997	20,430	139,190
HONDA	3,685	2,965	3,238	6,923	133,866	141,324
NISSAN	2,040	0	2,257	4,297	0	42,001
NUMMI*	1,900	0	1,900	3,800	0	55,649
VOLKSWAGEN	2,350	1,981	1,814	4,164	72,880	94,584
Total Cars, U.S.	183,112	189,998	189,068	372,180	7,648,379	8,018,075
Total Cars, Canada	26,564	20,525	25,847	52,411	1,009,438	1,054,362
N. American Cars	209,676	210,523	214,915	424,591	8,657,817	9,072,437
N. American Trucks	102,318	86,520	99,987	202,305	3,825,010	4,032,517
North American Cars and Trucks	311,994	297,043	314,902	626,896	12,482,827	13,104,954

*—Revised estimate.
**—All Acadians are built for sale in Canada.
Monthly estimates may contain error of one or two units due to rounding.

CANADIAN CAR PRODUCTION

	Week Ended Dec. 14, 1985	Week Ended Dec. 15, 1984	Week Ended Dec. 7, 1985	Dec. to Date	Jan. 1 to Dec. 15, 1984	Jan. 1 to Dec. 14, 1985
AMERICAN MOTORS	400	610	0	400	22,348	10,893
FORD MOTOR	11,539	11,129	11,233	22,772	434,079	480,165
GENERAL MOTORS	14,400	8,561	14,389	28,789	542,886	553,499
VOLVO	225	225	225	450	10,125	9,805
Total Cars, Canada	26,564	20,525	25,847	52,411	1,009,438	1,054,362

U.S. TRUCK PRODUCTION☆

	Week Ended Dec. 14, 1985	Week Ended Dec. 15, 1984	Week Ended Dec. 7, 1985	Dec. to Date	Jan. 1 to Dec. 15, 1984	Jan. 1 to Dec. 14, 1985
CHEVROLET	26,028	21,869	26,046	52,074	955,579	1,083,102
DODGE	5,400	4,591	5,600	11,000	207,251	207,733
FORD	31,022	25,081	29,437	60,459	1,157,566	1,129,808
GMC	8,816	8,573	7,287	16,103	314,869	337,321
INTERNATIONAL	1,495	1,580	1,488	2,983	73,217	69,649
JEEP	5,800	3,950	5,915	11,715	179,565	211,309
NISSAN	2,510	2,513	2,908	5,418	97,579	102,288
AM GENERAL	50	50	50	100	2,510	2,330
MISCELLANEOUS	2,000	1,000	2,000	4,000	50,000	88,553
Total Trucks, U.S.	83,121	69,207	80,731	163,852	3,038,136	3,232,093

CANADIAN TRUCK PRODUCTION

	Week Ended Dec. 14, 1985	Week Ended Dec. 15, 1984	Week Ended Dec. 7, 1985	Dec. to Date	Jan. 1 to Dec. 15, 1984	Jan. 1 to Dec. 14, 1985
CHRYSLER	9,080	8,671	9,312	18,392	357,042	371,123
FORD	3,581	3,652	3,624	7,205	152,181	154,051
GENERAL MOTORS	6,336	4,761	6,117	12,453	269,841	265,603
INTERNATIONAL	200	229	203	403	7,810	9,647
Total Trucks, Canada	19,197	17,313	19,256	38,453	786,874	800,424
N. American Trucks	102,318	86,520	99,987	202,305	3,825,010	4,032,517

☆—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.